

Angeon Ak.
Jan 20, 2003

TO WHOM IT MAY CONCERN:

It was recently reported that the state had determined that four areas in Southeastern Alaska were economically stable enough to support borough status and that the borough commission was to report their findings to the Legislature in mid February. One of the four areas in Southeast was a possible Kake, Angeon, Cube Cove borough.

As a resident of Angeon and an Alaskan for nigh on sixty-eight years I would like to know who it was who determined that this area (the proposed borough) was economically stable enough to support a borough? All I can say is that they must have been smoking pot! At least eighty-five percent of the residents in Angeon are dependent upon state and Federal aid programs and unemployed. Commercial fishing, once the main source of income is virtually non-existent with only five or six residents with small halibut quotas. The majority of the residents live in B.I.A. Bureau of Indian Affairs housing receive public assistance, Supplemental Social Security, General assistance, energy assistance and other aid. The only jobs here are the schools. Elementary and High School A.C.A. (Angeon Community (B.I.A.) Association) the Post Office, the store (Angeon Trading) the City of Angeon and two summer time only Sport Fish Lodges, two Bed & Breakfast establishments.

while the States Employment Security Division reports regularly that our unemployment rate is only eleven percent the figure is totally incorrect. To achieve those figures they use only those who apply for jobs through their division, so if twenty residents apply for work and ten are working and ten are on unemployment or unemployed they use those figures for the unemployment percentages. The actual unemployment rate here and in most villages in Southeast is in the high eighties and the only reason those figures change is because of what we call project jobs.

Project jobs are jobs that last usually for only a short time, for example a new health clinic is scheduled to be built in the near future that will require hiring a small number of residents i.e., eight to ten, the job may last six months, to a year and then it's gone while the workers sit around waiting for the government (usually) to bring in another project while it makes the Employment rate for Angkor look good, it doesn't tell the true story. In almost 100% of the projects the same eight to ten people hired are the ones that worked the last job very seldom does anyone else get hired.

While the money helps to survive for those few who get on the job the rest of the community remains at the poverty

level. Temporary projects (JSS) like this pay for immediate needs but does not assure security for old age benefits such as retirement or health benefits. What money comes in, goes out quickly for every day living costs. I would guess that eighty to eighty five percent of our residents meet Federal poverty levels. The proposed borough of Angoon, Kake or Angoon, Hoonah are not contiguous to each other, each being on separate islands as far as seventy miles apart and the islands separated by wide waterways eight to twelve miles wide. Cube Cove also mentioned as a community that would be included in a possible borough with Angoon is now a defunct (closed down) logging camp, Ste Atika the owner of Cube Cove is now attempting to sell or trade those lands.

While Kake, Angoon and Hoonah are primarily Tlingit Indians, they have always had strong Rivalry's going back hundreds and possibly thousands of years. Kake and Hoonah selected their ANCSA lands immediately adjoining their villages and clearcut the timber while Angoon chose to keep their immediate area wilderness to assure their subsistence way of life. Angoon has rejected uncontrolled tourism so as not to interfere with their cultural and subsistence lives. While Hoonah and Kake have welcomed outsiders. Hoonah and Kake incorporated as first class

cities. Angoon remains second class. Angoon fought the concept of Greens creek operating a mine at Hawk Inlet, fought Sheatika Logging at Cube Cove and other development projects within their area so as to keep their Subsistence lifestyles while Hoonah and Kake has welcomed development.

while this concept does not contribute to Angoon's economy, it does show that Angoon residents have different ideas as to development in around their village than does Kake or Hoonah.

The Kake Village Corporation, Kake Tribal is or was in bankruptcy in 2002, Hoonah is no better off economically. Commercial fishing and logging are currently the pits. I just can't see how anyone could determine that this area can support a borough at this time. We, Angoon has not sought borough status we can't afford what we have.

This idea is surely some bureaucrats pipe dream!

Sincerely,

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SE towns consider boroughs

By JOANNA MARKELL

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Some Southeast Alaska communities will be watching carefully as the state weighs the fate of unorganized regions over the next few months.

At the behest of the Legislature, the state's Local Boundary Commission last month identified eight areas that might have the financial capacity to form a regional government - a borough. Four are in Southeast, where the subject has been controversial.

Some state lawmakers want to see boroughs formed so local residents help pay for education with local taxes. Unorganized areas don't tax themselves and so don't contribute to school funding. But many communities see the question as one of economics and autonomy.

One area identified for a possible new borough includes communities near Glacier Bay and Icy Strait, where the subject isn't new. Representatives from Hoonah, Pelican, Gustavus and Tenakee Springs began discussing a regional government after the Haines Borough inquired about annexing surrounding communities in 2001. Haines never pursued the idea, but the issue hasn't disappeared, Hoonah City Administrator Keith Bettridge said.

Hoonah recently completed a feasibility study about a Glacier Bay or Icy Strait borough, and is close to starting work on a borough-formation petition to submit to the state, he said. With 860 residents, Hoonah would be the largest town in the new borough.

"(It's) in the spirit of gathering data and providing data to other communities," he said. "Making the decision on whether to go forward could be done jointly or any communities could pursue it. All the petition would do is put it on the ballot and give communities voter input."

Although a Glacier Bay borough would give the communities political strength with the state, financial questions linger, Bettridge said.

"There may need to be some creativity as far as raising additional funds to support a borough government, which is what the communities want to know before stepping into it," he said.

Other communities are more cautious. Some Tenakee Springs residents have expressed concern about paying new taxes and losing autonomy. In Gustavus, the question of whether to form a second-class city may have priority, said Greg Streveler, chairman of the Gustavus Community Association board. Gustavus, population 429, is unincorporated.

"We're probably on the verge of starting a petition for a second-class city," he said. "Compound a borough with a city and that's a lot of action at once."

The general membership of the Gustavus Community Association is scheduled to meet Thursday about forming a second-class city, he said.

Pelican Mayor Kathie Wasserman, a former member of the Local Boundary Commission, said the drive to form boroughs has come largely from the state, but no boroughs have incorporated in the last 10 years.

"To me it seems that there need to be some incentives to encourage boroughs to form and there aren't a lot of incentives at this point," she said. "Most areas are doing it as a reaction to moves they think the state may make."

Wasserman said the state needs to provide more flexibility for communities to form boroughs. As for a Glacier Bay borough, she said the most important thing will be for Hoonah to keep its neighbors informed.

"If it is to work either way, they have to continue to talk with Gustavus and Pelican to keep the lines of communication open," she said. "At least it has to have buy-in with as many people as possible and so everyone is aware of the ramifications."

The state's commission also identified three other possible new boroughs in Southeast. They include a Chatham borough made up of Kake, Angoon and Cube Cove; a Wrangell-Petersburg borough; and a Prince of Wales Island borough.

Craig Mayor Dennis Watson said the idea of forming a borough has "been kicking around" Prince of Wales Island for years, but financial issues have been a hurdle. The communities aren't pursuing anything formal at this time, he said.

"Every time it comes up in earnest, most communities are fiercely protective of their autonomy and it doesn't go anywhere," he said. "The big question is who is going to pay for it."

The community of Craig is taking issue with some of the economic data the Local Boundary Commission reviewed in putting together the borough list, Watson said. Logging, fishing and Native corporation activity on the island have dropped in recent years, he said.

"I don't know where we're going to get the money to do it," he said.

The state's Local Boundary Commission is accepting comments about its borough formation report through February, staff member Dan Bockhorst said.

January 2, 2003

Commission's list names possible future boroughs

THE ASSOCIATED PRESS

ANCHORAGE - A state commission says there are eight unorganized regions of Alaska whose economies may be strong enough to support local borough governments.

The Local Boundary Commission has released a list of the regions that it says could begin paying for their schools with local taxes.

Four areas in Southeast Alaska are included. The potential Glacier Bay borough included Pelican, Whitestone Logging Camp, Gustavus, Tenakee Springs, Elfin Cove, Game Creek and Hoonah.

The potential Prince of Wales borough listed Craig, Klawock, Hydaburg and other small communities. The potential Wrangell-Petersburg borough also included Kupreanof. And the Chatham borough included Kake, Angoon and Cube Cove.

The list also includes the western Aleutian Islands including Dutch Harbor and Adak, the Upper Tanana valley including Delta and Tok, and the Copper River basin including Glennallen and 17 small unincorporated communities.

Also on the list is Prince William Sound, where Cordova and Valdez pay city taxes for schools but might combine forces.

Areas dropped from further consideration include the Yukon-Kuskokwim Delta, the Seward Peninsula and much of the Yukon River Valley.

The Legislature last year ordered the boundary commission to sift through economic and social factors and develop a list of potential boroughs in rural Alaska where school operations and construction are paid for by the state. Organized boroughs, in contrast, contribute \$135 million a year to education, the commission said last year.

"For some areas of the state, the free ride is over," said Sen. Gary Wilken, a Fairbanks Republican who has pushed unsuccessfully for laws to require forming new boroughs. "Why should the people who are supporting themselves also support those who are able to do so, but won't?"

The preliminary list released in December by the commission is based on economic data from the 2000 census. The commission looked at household economic factors, such as income and unemployment, rather than at potential property tax bases. A more refined list, weighing additional factors such as shared characteristics and population, is to be submitted to the Legislature in February.

Alaska is the only state with an unorganized region. Today, 13 percent of Alaskans live outside organized boroughs.

State lawmakers, recognizing that taxpayers seldom vote to create new taxing authorities, created Alaska's urban borough governments through a mandatory act in 1963.

Opponents of state-imposed boroughs say local taxes would be ruinous in most poor rural parts of Alaska.
